

Maryland  
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MARYLAND

# GRAIN & LIVESTOCK REPORT

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MARKET ANALYSIS - December 19, 2002

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The market activity (or lack thereof) in the last few weeks in the corn pit has been a function of a shortage of new solid fundamental news. Even the funds, who liquidated a huge amount of long positions last summer, are reluctant to do anything (and they would certainly move the market). Consequently, the traders are talking about the January report as the next major item that might move the market. Remember – it is the January report that usually incorporates major USDA revisions! In the meantime the market seems to have found a somewhat comfortable range in which to trade with the tight stocks to use ratios always keeping things from slipping down too far. Before the January report we need to see continued export improvement to get prices higher. The depreciating dollar is certainly helping the cause and export sales numbers were 30 percent above last week but still about 14 percent short of the four-week average. The export report came in within trade estimates so we didn’t see a bounce. The only other positive potential force is that the remaining speculative funds remain, on balance, largely short so there is potential for recovery from that source. In the soybean market demand items seem largely friendly but good South American weather appears to have introduced a slightly negative twist to the market. These two issues are what are going to move the bean market in any significant way. The NOPA November crush number was neutral to negative coming in at 141.6 million bushels but once combined with the news from ADM that they plan to reduce their crush rates, prices sank lower taking things away from the strong demand element described above. By midweek soybean prices had dropped to their lowest level in a month when local short covering was seen after a day of long fund liquidation – a total of 11,000 contracts were off loaded in just 2 days! However, after the ugly downward spiral and the funds finally left the scene, locals jumped in and started to buy up. Thursday’s export numbers showed a 21% decrease from last week, but fortunately these numbers were within guesses so we didn’t see much reaction. Like the corn market, traders are too looking to the January report, but unlike the corn market, they have lots to look at and react to in the meantime. It’s a good time to trade volatility (through options) in the bean market! The wheat market is lacking fresh news but the downward trend continues but fortunately the downward momentum seems to be running out of steam. This market is well overdue for a correction to the upside, so any decent news whatsoever should see a big bounce northward. Mid week saw this bounce what with short covering and news about damage to the Ukrainian crop, but this was put in check with disappointing export sales.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Dec02)	NEW (Dec02)	CASH (Nov02)	NEW(Nov03)	CASH(Dec02)	NEW(Jul03)
Baltimore	n/a	n/a	-\$ .14	n/a	n/a	n/a
Western MD	+\$ .64	n/a	+\$ .10	n/a	-\$ .05	n/a
Central MD	+\$ .49	+\$ .43	+\$ .08	-\$ .20	+\$ .26	-\$ .12
Southern MD	+\$ .39	+\$ .33	Even	-\$ .25	-\$ .10	-\$ .30
Upper E. Sh	+\$ .39	+\$ .33	+\$ .05	-\$ .25	-\$ .10	-\$ .25
Lower E. Sh	+\$ .48	+\$ .47	+\$ .15	-\$ .16	-\$ .07	-\$ .23

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS

*This report will resume again in April 2003*

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/11	12/18	12/11	12/18	12/11	12/18	12/11	12/18
Baltimore	----	----	5.58	5.46	----	----	----	----
Western Md	3.00	3.00	5.76	5.70	3.40	3.40	1.98	1.98
Central MD	2.85	2.85	5.74	5.68	3.57	3.71	1.65	1.65
Southern MD	2.71	2.75	5.68	5.60	3.34	3.35	1.45	----
Upper E. Sh	2.76	2.75	5.73	5.65	3.34	3.35	----	----
Lower E. Sh	2.85	2.84	5.83	5.75	3.37	3.38	----	----

Soybean Meal		Lower Eastern Shore		Dealer's Average Cash Quotes (\$/ton)	
Date	12/11	12/18	Date	12/11	12/18
48% Soybean Meal	199.00	198.00	44% Soybean Meal	187.00	188.00

FORWARD CONTRACT PRICE-REGIONAL (\$/bu) For Harvest delivery Dealer’s Avg Quote								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	12/11	12/18	12/11	12/18	12/11	12/18	12/11	12/18
Baltimore	----	----	5.58	5.55	----	----	----	----
Western Md	----	----	----	----	----	----	----	----
Central MD	----	2.85	----	4.88	2.88	3.00	----	----
Southern MD	2.71	2.75	5.68	4.83	2.81	2.82	1.45	1.45
Upper E Shore	2.76	2.75	5.73	4.83	2.86	2.87	1.60	1.60
Lower E Shore	2.85	2.89	5.83	4.92	2.88	2.89	1.54	1.52

GRAIN FUTURES - Chicago Board of Trade (cents/bu) -Dec 19, 2002							
Corn		Soybeans		Wheat		Soybean Meal <sup>1</sup>	
Mar	240.00	Jan	560.25	Mar	356.00	Jan	163.30
May	242.25	Mar	555.50	May	342.50	Mar	162.70
Jul	245.00	May	549.50	Jul	312.25	May	162.10
Sept	243.00	Jul	548.00	Sept	315.00	Jul	161.90
Dec	241.50	Aug	540.50	Dec	324.50	Aug	159.90

<sup>1</sup> \$/ton



HAY AND STRAW (\$/cwt)									
New Holland, PA - \$/ton - Dec 16, 2002 - 192 Loads									
Alfalfa		Mixed		Timothy		Orchardgrass		Straw	
110.00-240.00		80.00-250.00		130.00-195.00		122.00-185.00		85.00-130.00	
Westminster, MD - \$/bale - Dec 17, 2002 - 183 Lots									
Alfalfa		Mix		Timothy		Grass		Grass (lg rd)	
2.30-4.30		2.00-4.50		2.60-4.20		1.30-3.30		20.00-23.00	
								1.20-1.80	
								3.25-7.00	
SOUTHERN MD - \$/bale - Dec 16, 2002									
Next Sale - 12/21/02									
POULTRY (Grade A) - Week Ending Dec 21, 2002 Negotiated Price, cents/lbs									
		Current Week		Week Ago		Month Ago		Year Ago	
NY Wtd Avg. (Fryers)		50.61		49.73		47.09		46.91	
12-City Composite		53.89		53.73		53.01		55.60	
LAMBS - Westminster, MD - \$/cwt - Dec 16, 2002									
H-Ch-Pr		100-125 lbs		85.00-92.00		140-160 lbs		78.00- 85.00	
		70- 95 lbs		85.00-96.00		50- 70 lbs		90.00-106.00	
								Sheep 37 Hd	
								30.00-50.00	
TERMINAL MARKETS HOGS - Dec 19, 2002					DIRECT MARKET HOGS - Westminster, MD-Dec 19, 2002				
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		1&2		220-270 lbs	
a.m.		Base 185 lb Hog		300-449 lbs				35.00-39.00	
								250-290 lbs	
								39.00-31.00	
Eastern Cornbelt		40.28-46.74		19.52-27.34		1&3		220-260 lbs	
								25.00-26.00	
Iowa, Minn		40.50-46.74		15.00-26.47		Millsboro, DE Market Hogs - \$/cwt -		\$26.50	
FEEDER PIGS - (\$/cwt) -									
Gumboro, DE - Dec 16, 2002					New Holland, PA - Dec 18, 2002				
Head: 597 Trend: None					Head: 2076 Trend: None				
Under 30 lbs		70.00-225.00		30-39 lbs		70.00-125.00		31-32 lbs	
								75.00-77.00	
40-49 lbs		70.00-130.00		50-59 lbs		75.00- 80.00		37-38 lbs	
								72.00-85.00	
60-69 lbs		50.00- 60.00		70-79 lbs		55.00- 60.00		41-43 lbs	
								77.00-80.00	
								46-50 lbs	
								57.00-62.00	
								52-53 lbs	
								67.00-77.00	
LIVE CATTLE FUTURES - Chicago Mercantile Exchange- (\$ cwt) - Dec 18, 2002					HOG FUTURES - Chicago Mercantile Exchange - (\$ cwt) - Dec 18, 2002				
Dec		73.72		Jun		71.30		Feb	
								51.22	
Feb		78.25		Aug		69.35		Jun	
								63.57	
Apr		77.25		Oct		70.60		Apr	
								56.32	
								61.05	
								Jun	
								60.75	
								Aug	
								58.50	
STOCKER-FEEDER CATTLE - (\$/cwt)									
Winchester, VA - Dec 17, 2002					Westminster, MD - Dec 17, 2002				
Steers		200- 300 lbs		96.00-104.00		Steers		200- 400 lbs	
		300- 400 lbs		91.00- 99.50				500- 700 lbs	
		400- 500 lbs		85.50- 99.00				800-1000 lbs	
		500- 600 lbs		79.50- 94.00		Heifers		300- 500 lbs	
		600- 700 lbs		74.00- 80.00				500- 700 lbs	
		700- 800 lbs		72.50- 79.25				700- 950 lbs	
		800- 900 lbs		79.05- 81.75		Hols Bulls #1		95- 120 lbs	
		900-1000 lbs		70.00- 77.25				84- 94 lbs	
Heifers		300- 400 lbs		70.50- 80.00				#2	
		400- 500 lbs		71.00- 81.00		Hols Heifers #1		95- 120 lbs	
		500- 600 lbs		67.50- 76.50				#2	
		600- 700 lbs		71.25- 75.50				85- 105 lbs	
		700- 800 lbs		72.75- 74.50				330.00-400.00	
		800- 900 lbs		65.00- 70.50				150.00-300.00	
Lancaster, New Holland & Vintage - Week Ending - Dec 21, 2002									
Bull, Holstein		95-125 lbs		60.00-127.00		Plainer		45-125 lbs	
Heifers, Hols.		95-115 lbs		240.00-480.00		Plainer		95-110 lbs	
								230.00-340.00	
SLAUGHTER CATTLE (\$/cwt)									
Westminster, MD - Dec 17, 2002									
Fed Steers					Fed Heifers				
H-Ch-Pr		1300-1500 lbs		73.00-76.25		H-Ch-Pr		1200-1400 lbs	
L-Ch		1100-1400 lbs		66.00-71.50		Ch 2-3			
Light Weights				63.00-68.00		L-Ch		1000-1200 lbs	
Cows						2-High Dressing		63.00- 70.00	
Breakers				36.00-42.00		Veal Calves		76.25 & 77.00	
Few				43.00-45.00		H-Ch		240- 300 lbs	
Boners				34.00-38.00		Good		80- 120 lbs	
Lean				30.00-34.00				83.00- 93.00	
Thin & Light				30.00-DOWN				35.00- 45.00	
Lancaster, New Holland & vintage - Week Ending - Dec 21, 2002									
Steers, Choice 2-3		1205-1480 lbs		71.00-75.00		Opened firm - \$1 higher; but closed .50-\$1 lower			
Heifers, Choice- 2-4		1120-1320 lbs		67.25-69.50		Weaker undertones			
Cows, Breakers 75-80 pct lean				37.25-43.25		Steady-weak w/lean cows mostly weak - \$1.50 lower			
Bullocks, Select 1-2		1305-1490 lbs		45.50-49.00		None			
Bulls, YG 1		1015-2030 lbs		43.00-50.00		Mixed but firm - \$2 higher			
Vealer, Standard & Good		75- 125 lbs		15.00-45.00		Opened steady - \$5 lower - closed w/higher undertone			

For more information about this report, call 410-841-5740 or write: